

Public Safety

The Governor's recommended amendments in Public Safety result in a net decrease of \$88.7 million GF for the 2000-02 biennium when compared to the original appropriation. This total reflects new spending of \$11.7 million, offset by \$100.4 million in reductions.

Of the \$11.7 million GF in new spending, \$9.3 million represents the required state share of the operating costs of new local and regional juvenile detention facilities. Other amendments include: generating additional revenues by housing 686 more out-of-state inmates in Virginia correctional facilities; utilizing out-of-state prisoner revenues for the Department of Corrections' computer network; and, utilizing nongeneral fund balances for the Statewide-Shared Land Mobile Radio System.

General fund reductions in Public Safety agencies include \$67.4 million GF in executive management savings (including \$36.4 million in targeted, or specified reductions, and \$31.0 million in across-the-board, or unspecified reductions), as well as \$24.5 million in productivity savings approved in the 2000 Appropriation Act and detailed in the October 2000 report to the General Assembly.

The targeted reductions include: replacing \$13.8 million GF with VPBA bond proceeds for the state share of capital costs for local and regional juvenile detention facilities; replacing \$5.6 million GF for equipment purchases with funding through the Master Equipment Lease (MELP) program; replacing \$1.4 million GF for E-911 wireline grants to localities with nongeneral funds from the E-911 Wireless Fund; closure of an adult boot camp, a juvenile boot camp, and two regional offices; and elimination of funds for a privately-operated juvenile facility.

Across-the-board reductions, result from the application of additional 3 percent reductions the first year and 6 percent the second year to agency budgets, with certain exemptions.

Another \$8.5 million in technical and other reductions is included in the grand total of \$100.4 million GF reductions for Public Safety. The technical adjustments include \$5.5 million the second year, which are associated with the suspension of performance indemnity bond premium payments and the new state telecommunications contract.

- **Secretary of Public Safety**
 - ***Executive Management/Productivity Savings.*** Includes reductions totaling \$146 GF in FY 2001 and \$367 GF in FY 2002, based on reductions in printing costs through expanded use of web-based printing, and savings associated with the new state telecommunications contract.

- **Commonwealth's Attorneys Services Council**
 - ***Executive Management Savings.*** Includes reductions of \$695 GF in FY 2001 and \$2,363 in FY 2002, from reductions in expenses related to council meetings.
 - ***Productivity Savings.*** Includes reductions of \$7,004 the first year and \$6,572 the second year to reflect the productivity savings approved in the 2000 Appropriation Act.

- **Department of Alcoholic Beverage Control**
 - ***Purchase of Merchandise for Resale.*** Provides \$42.5 million NGF the second year to increase inventory to a level sufficient to meet projected demand.
 - ***Expansion of Retail Outlets.*** Provides \$2.1 million NGF and 10.0 FTE positions the second year to open ten new ABC stores in priority markets identified as having the highest potential to increase profits and customer convenience.
 - ***Productivity Savings.*** Includes strategies to increase ABC profits by \$2.5 million in FY 2001 and \$2.9 million in FY 2002. Language is proposed in the budget, as introduced, to override § 4.1-117, *Code of Virginia*, so that two-thirds of these additional ABC profits will not be returned to localities.
 - Increasing ABC profits by \$1.6 million the first year and \$1.9 million the second year by opening new stores and closing unprofitable stores;
 - Increasing ABC profits by approximately \$500,000 each year with a plan to make better use of store shelf space by stocking those items that have the highest profit margin and sales turnover;
 - Increasing ABC profits by approximately \$200,000 each year through more efficient use of personnel and simplification of business practices;
 - Increasing ABC profits by \$160,000 each year by enhancing the use of electronic procurement;
 - Increasing ABC profits by \$130,000 the second year by reducing costs of credit card fees by encouraging restaurants to use debit cards for purchases; and,
 - Increasing ABC profits by \$200,000 per year through other efficiencies.

- **Department of Correctional Education**

- **Increased Programs at Fluvanna.** Provides \$325,908 NGF and 4.0 FTE positions in FY 2002 to increase educational programs at Fluvanna Correctional Center. This reflects an increase in the number of female inmates to be housed under contract with the federal Bureau of Prisons at this facility.
- **Increased Programs at Greenville.** Provides \$152,000 NGF in FY 2001 and \$189,000 NGF in FY 2002 and 3.0 FTE positions each year to increase educational programs at Greenville Correctional Center. This reflects an increase in the number of out-of-state inmates to be housed at this facility.
- **Executive Management Savings.** Includes across-the-board reductions of \$849,950 GF in FY 2001 and \$1.8 million in FY 2002.

Funds for juvenile instructional costs have been excluded from the calculations for determining these reductions.

- **Productivity Savings.** Includes reductions of \$342,660 GF the first year and \$359,667 GF the second year, and \$4,492 NGF each year, to reflect the productivity savings approved in the 2000 Appropriation Act. These savings include a reduction of \$145,000 GF each year by delaying the implementation of teacher parity pay increases to correspond with state employee raises.

- **Department of Corrections**

Increased Revenues From 628 Additional Out-of-State Inmates

- **Female Out-of-State Inmates.** Provides \$3.2 million NGF in FY 2002 for operating expenses to open the final housing unit at Fluvanna Correctional Center for 228 female inmates, under a contract with the Federal Bureau of Prisons.
- **Male Out-of-State Inmates.** Provides \$1.4 million NGF in FY 2001 and \$3.5 million NGF in FY 2002, and 50.5 FTE positions each year, to house an additional 458 out-of-state male inmates. Strategies to accomplish this include:

Increasing the utilization of available beds at Sussex II for out-of-state inmates from 90 percent to 95 percent, as budgeted, providing 58 additional inmates;

Increasing the number of out-of-state inmates at Greenville Correctional Center by 200;

Transferring 100 low-security (Level 1 and 2) inmates currently housed in medium-security (Level 3) facilities, to selected field units (including Baskerville, Botetourt, and Pulaski). This requires an increase in the number of nursing positions at these field units, because these 100 inmates have medical conditions requiring nursing care. The transfer of these inmates to field units is intended to free up 100 beds in medium security facilities for out-of-state inmates;

Adding 50 out-of-state inmates by utilizing the Bland Segregation Unit as a transfer point for inmates being sent to Red Onion or Wallens Ridge State Prisons; and,

Adding 50 out-of-state inmates by utilizing currently unused dormitory space at Southampton Correctional Center.

- **Additional Revenue Transfer.** All revenues earned from housing out-of-state inmates are deposited into the Contract Prisoners Special Revenue Fund. The proposed increase in the number of out-of-state inmates results in a \$13.9 million increase in the transfer from this special fund to the general fund (above the \$5.4 million transfer already included in Chapter 1073). The proposed \$13.9 million transfer includes:

\$1.2 million each year assumed in the productivity savings as reported in October 2000, based on housing the 228 females at Fluvanna;

\$5.5 million the second year based on housing the additional 458 male inmates; and,

A Treasury Loan of \$6.0 million the second year (to cover a further budget reduction of this amount), to be repaid from revenues accrued in FY 2002 but actually received during the first quarter of FY 2003.

Executive Management Savings

- **Master Equipment Lease Program (MELP).** Includes a targeted reduction of \$1.3 million GF in FY 2002 based on utilizing the MELP for equipment purchasing throughout the agency.
- **Substance Abuse Reduction Effort (SABRE).** Includes a targeted reduction of \$1.5 million GF in FY 2002, in outpatient treatment services for offenders on probation. The effect of this amendment is to level fund this initiative in the second year.

- **Boot Camp.** Includes a targeted reduction of \$2.0 million in FY 2002, based on closing the boot camp facility at the Southampton complex. The program will be continued, but will be merged with one of the existing detention centers.
- **Regional Offices.** Includes a targeted reduction of \$1.5 million in FY 2002, based on closing two regional offices. Currently, DOC has four administrative regions, with two offices in each region.
- **Across-the-Board Reductions.** Includes unspecified reductions of \$7.1 million GF in FY 2001 and \$13.5 million GF in FY 2002. This represents the application of a 3 percent reduction the first year and 6 percent the second year.

Funds for correctional officers, direct inmate costs, and probation and parole operations are excluded from the calculations for determining these reductions.

Productivity Savings

- **Reduce Security Staffing in Towers.** Includes a reduction of \$1.7 million GF each year based on reducing the number of correctional officers needed to staff towers at major facilities, based on the increased security provided by electronic fence detection systems already in place.
- **Reduce Inmate Food Procurement Costs.** Includes a reduction of \$1.5 million GF each year in food costs through spot market purchasing, portion control, and better planning.
- **Reduce Procurement Costs.** Includes a reduction of \$1.5 million GF the first year and \$1.4 million GF the second year, based on greater utilization of bulk purchasing and more efficient management of inventory.
- **Reduce Medical Contracting Cost.** Includes a reduction of \$350,000 GF the first year and \$700,000 GF the second year, based on re-bidding the contract for dialysis services.
- **Reduce Direct Inmate Costs.** Includes a reduction of \$540,000 GF each year to reflect a lower forecast of the inmate population in state facilities.
- **Reduce Cost of Drug Testing.** Includes a reduction of \$300,000 GF each year to reflect the use of lower-priced drug testing kits, better targeting of testing, and the use of more sophisticated testing equipment on a regional basis.

- **Defer Fredericksburg Day Reporting Center.** Includes a reduction of \$200,000 GF the first year, based on delaying the opening of a new day reporting center in Fredericksburg until FY 2002.
- **Eliminate Two Parole Examiners.** Includes a reduction of \$96,200 GF and 2.0 FTE positions each year, based on the reduction in the number of inmates eligible for parole.
- **Increase Correctional Enterprise Fund Transfer.** Includes two steps to increase the level of transfers to the general fund:
 - A new public/private partnership with a major national company to develop an industry program within a prison, which will result in increased enterprise revenues. This is estimated to provide an additional \$655,000 transfer to the general fund in FY 2002; and,
 - Repayment of a \$1.0 million loan from the general fund budget of DOC. This loan was provided to enable Virginia Correctional Enterprises to pay the Department of Motor Vehicles for the cost of inventory transferred from DMV for the manufacture of license plates.
- **Total Productivity Savings.** Including other, smaller savings, all of the productivity savings for DOC total \$6.3 million GF the first year and \$6.8 million GF the second year and 47.0 FTE positions each year. (This does not include revenues from out-of-state inmates or transfers from Correctional Enterprises.)

Other Amendments

- **Agency-Wide Computer Network.** Provides \$2.7 million NGF in FY 2002 from out-of-state prisoner revenues to continue the development of the DOC computer network.
- **Medical Services.** Includes 25.5 FTE positions from nongeneral funds, for the provision of medical services at Wallens Ridge State Prison in the event DOC decides to provide medical services using state employees rather than continue with contract services. The out-of-state prisoner revenues needed to support these positions have already been appropriated to the agency.
- **Jail Project Balances.** Includes a transfer of \$1.2 million GF the first year to the general fund from eight local or regional jail projects which have been inactive for several years.
- **Substance Abuse Treatment Grant.** Transfers \$336,628 GF the second year from the Department of Criminal Justice Services to DOC, which actually provides these services.

- **Department of Criminal Justice Services**

- **House Bill 599.** Includes a reduction of \$1.5 million GF the first year and \$1.1 million GF the second year in State Aid to Localities with Police Departments. This adjustment reflects the projected rate of 5.68 percent growth in general fund revenues in FY 2001 over FY 2000, and 7 percent growth in FY 2002 over FY 2001, as assumed in the introduced budget.
- **Federal Police Corps Program.** Includes \$168,769 NGF and 2.0 FTE positions the second year to administer the Police Corps. This is a new federal grant program sponsored by the U.S. Department of Justice to offer scholarships to qualified college students in return for the students agreeing to serve as law enforcement officers for a specified period of time. An estimated \$1.0 million NGF from federal funds is expected to be available for the first year of this program. These funds may also be used for law enforcement training.
- **Norfolk Forensic Laboratory.** Includes \$900,000 GF each year for maintenance and operation of the new eastern forensic laboratory building in the City of Norfolk.

Executive Management Savings

- **E-911 Wireline Grant Program.** Includes a targeted reduction of \$1.4 million GF based on transferring the E-911 wireline grant program from DCJS to the Department of Technology Planning (DTP). A companion amendment to Item 502.10 increases the nongeneral fund appropriation to DTP to reflect the transfer of administrative and oversight functions.

The \$1.4 million GF for grants to localities would be replaced with an equal amount of nongeneral funds from the E-911 Wireless Fund.

- **Master Equipment Lease Program (MELP).** Includes a targeted reduction of \$612,000 in FY 2002, based on utilizing the MELP for equipment purchasing throughout the agency.
- **General Fund Match for Federal Grants.** Includes a targeted reduction of \$1.2 million GF each year to reflect lower utilization of federal anti-crime grants by state agencies, resulting in a lower requirement for general fund matching dollars.

Actual experience has shown that a greater percentage (than originally projected) of Virginia's total federal anti-crime allocation is "passed through" to localities, which must in turn provide local dollars for matching funds.

Accordingly, language specifying that 70 percent of the federal funds are to be utilized for state agency grants is eliminated. This has the effect of lowering the state match requirement.

- **Across-the-Board Reductions.** Includes unspecified reductions of \$1.0 million GF in FY 2001 and \$2.1 million GF in FY 2002. This represents the application of a 3 percent reduction the first year and 6 percent the second year.

Funds for aid to localities (including House Bill 599), aid to regional criminal justice training academies, grants to local community corrections agencies, and other pass-through grants are excluded from the calculations to determine these reductions.

Productivity Savings

- **Reduce Mandatory Overtime.** Includes a reduction of \$225,000 GF each year by discontinuing the use of mandatory overtime in the Division of Forensic Science.
- **Total Productivity Savings.** Including other, smaller reductions, all of the productivity savings for DCJS total \$607,771 GF the first year and \$748,968 GF the second year.

- **Department of Emergency Management**

- **Executive Management Savings.** Includes reductions of \$114,213 GF in FY 2001 and \$260,273 in FY 2002, to be achieved by using the Master Equipment Lease Program for equipment purchases, and other, unspecified agency management actions.
- **Productivity Savings.** Includes reductions of \$70,153 in FY 2001 and \$80,585 in FY 2002.

- **Department of Fire Programs**

- **Increase Full-Time Positions.** Includes an additional \$47,696 NGF and 4.0 FTE positions the second year to convert four existing wage positions to full-time classified positions.

- **Department of Juvenile Justice**

- **Juvenile Detention Homes (Operating Expenses).** Includes \$9.3 million GF in FY 2002 for the state share of operating expenses for new local and regional juvenile detention facilities.

- **VJCCCA.** Provides that unexpended balances in the Virginia Juvenile Community Crime Control Act will revert to the general fund at the end of each fiscal year, instead of at the end of each biennium (as currently provided in statute). The introduced budget transfers a balance of \$1.5 million as of June 30, 2000.

The language allocates VJCCCA funds in the second year for new Offices on Youth serving the City of Winchester and the Counties of Clarke and Frederick (\$44,200); Madison County (\$37,500); and the City of Poquoson (\$35,000).

- **U.S. Department of Agriculture Funds.** Includes \$248,716 NGF each year to reflect the amount of USDA assistance for feeding juvenile offenders housed in state facilities.

Executive Management Savings

- **Bond Proceeds for Detention Projects.** Includes a targeted reduction of \$13.8 million GF the first year to supplant general funds previously appropriated by the General Assembly for the state share of capital costs for juvenile detention facilities, using VPBA bond proceeds.

An additional \$864,675 GF the second year is provided to the Treasury Board for debt service on \$25.2 million in VPBA bonds, which will pay the state share of the capital cost for local and regional juvenile detention facilities.

The \$25.2 million in VPBA bonds includes: \$7.9 million in new projects; \$13.2 million to supplant projects for which general funds were included in the 2000 Appropriation Act; and, \$4.0 million to supplant projects carried over from the previous biennium.

- **Delayed Opening of James River Detention Center.** Includes a targeted reduction of \$1.6 million GF the first year to reflect a later opening date for the new James River Juvenile Detention Center, serving Henrico, Goochland, and Powhatan counties.
- **Camp Kenbridge.** Includes a targeted reduction of \$4.6 million GF the second year, based on eliminating funding for the 100-bed intermediate sanction boot camp at Kenbridge, in Lunenburg County. Contractual obligations require a 60-day notice to the private operator of this facility.
- **KYDS.** Includes a targeted reduction of \$500,000 GF the first year and \$1.1 million GF the second year, based on eliminating funding for placement of about 28 juveniles at the Kenbridge Youth Development School (KYDS), in Lunenburg County.

- **Master Equipment Lease Program (MELP).** Includes a targeted reduction of \$474,000 GF the second year, based on using the MELP for equipment purchasing throughout the agency.
- **Across-the-Board Reductions.** Includes other, unspecified reductions of \$429,135 GF in FY 2001 and \$694,232 GF in FY 2002. This represents the application of a 3 percent reduction the first year and 6 percent the second year.

Funds for juvenile correctional officers, direct costs of juvenile correctional centers, court services units (including probation officers), community treatment services, offices on youth, and aid to localities (including VJCCCA and the state share of operating costs for juvenile detention), have been excluded from the calculations for determining these across-the-board reductions.

Productivity Savings.

- **Reduce Private Provider Beds.** Includes a reduction of \$1.1 million GF the first year and \$1.2 million GF the second year, based on reducing the number of juveniles in private provider facilities.
- **Richmond Juvenile Continuum of Services.** Includes a reduction of \$154,000 GF the first year and \$556,000 GF the second year, for the City of Richmond continuum of services for juvenile offenders.
- **Total Productivity Savings.** Including other, smaller savings, all of the productivity savings for DJJ total \$1.5 million GF the first year and \$2.3 million GF the second year.

- **Department of Military Affairs**

- **Commonwealth Challenge.** Provides \$200,000 GF the second year to reflect an increase from 35 percent to 40 percent in the required matching rate for federal funds. Commonwealth Challenge is a military-style residential program for at-risk youth at the State Military Reservation (Camp Pendleton), in the City of Virginia Beach.

Executive Management Savings

- **Armory Maintenance.** Includes a targeted reduction of \$100,000 GF each year, based on reducing general fund support for armory maintenance. The use of nongeneral fund balances in the Armory Control Board Fund is proposed to offset this reduction.
- **Master Equipment Lease Program (MELP).** Includes a targeted reduction of \$99,600 GF the second year, based on using the MELP for equipment purchasing throughout the agency.

- **Across-the-Board Reductions.** Includes other, unspecified reductions of \$106,773 GF in FY 2001 and \$202,886 GF in FY 2002. This represents the application of a 3 percent reduction the first year and 6 percent the second year.

Productivity Savings

- **Total Productivity Savings.** Includes reductions of \$59,613 GF and \$41,952 NGF the first year and \$59,105 GF and \$45,452 NGF the second year, to reflect the productivity savings approved in the 2000 Appropriation Act, as reported in October 2000.

- **Department of State Police**

- **Statewide-Shared Land Mobile Radio System.** Provides \$3.1 million NGF the second year to support continued consulting services to develop this radio system, which will serve 19 state agencies. The sources of the nongeneral funds include:

Virginia Alcohol Safety Action Program (VASAP) balances, estimated at \$2.0 million; and,

Department of State Police internal agency balances, estimated at \$1.1 million (including \$600,000 from the Sex Offender Registry Fund and \$500,000 from the HEAT, or Help Eliminate Automobile Theft, program fund.)

- **Helicopter Appropriation Shift.** Shifts \$530,000 GF from the first year to the second year to reflect a revised schedule for acquiring helicopters under the lease-purchase arrangement authorized in the 2000 Appropriation Act.

Executive Management Savings

- **Master Equipment Lease Purchase (MELP).** Includes a targeted reduction of \$3.1 million GF the second year, based on using the MELP for equipment purchasing throughout the agency. This includes using MELP for purchase of state police cars.
- **Across-the-Board Reductions.** Includes other, unspecified reductions of \$1.0 million in FY 2001 and \$2.0 million in FY 2002. This represents the application of a 3 percent reduction the first year and 6 percent the second year.

Funds for law enforcement have been excluded from the calculations for determining these reductions.

Productivity Savings

- **Delay Hiring of New State Troopers.** Includes a reduction of \$521,660 GF each year to reflect a two-month delay in the hiring of 70 new troopers and the beginning of new basic schools.
 - **Reduce State Troopers' Overtime.** Includes a reduction of \$517,450 GF each year based on increasing the threshold from 40 hours to 43 hours for paying overtime to sworn employees.
 - **Achieve Savings in Procurement.** Includes a reduction of approximately \$425,500 GF each year through bulk buying and reengineering of agency procurement practices.
 - **Reduce Cost of State Police Cars.** Includes a reduction of \$300,000 GF each year by lowering the purchase price and limiting cars to only one custom color (the other color being standard).
 - **Charge Administrative Fee.** Includes a new 10 percent administrative overhead charge for the indirect costs of supervising troopers assigned to special duty, and to cover other costs, such as gasoline consumption, for special projects such as workzone safety. This fee (which would be applied to state agencies such as VDOT) would provide a net savings of \$250,000 GF each year.
 - **Reduce Wage/Contractor Costs.** Includes a reduction of \$195,000 GF each year, based on reducing expenditures for wage employees and third party contractors by 15 percent.
 - **Delay Lynchburg Medevac Helicopter.** Includes a reduction of \$280,000 GF the first year, based on postponing hiring pilots for the medevac twin-engine helicopter. The helicopter will not be delivered until FY 2002.
 - **Total Productivity Savings.** Including other, smaller savings, all of the productivity savings for State Police total \$2.7 million GF the first year and \$2.5 million GF the second year.
- **Virginia Parole Board**
 - **Executive Management/Productivity Savings.** Includes savings of \$9,410 GF the first year and \$11,383 GF the second year.